(ii) enhancement of loan to agriculture sector by the banks from 18 per cent to 20 per cent;

(iii) keeping the rate of interest on crop loans upto a maximum of 5 per cent; and

(iv) Modification of Comprehensive Crop Insurance Scheme to include non-loanee farmers alongwith farmers who have taken bank loans.

The suggestions have been examined.

(i) Enhancement of fertilizer subsidy: Allocation of funds for subsidy on fertilizers is made on the basis of likely production |imports of controlled fertilizers, retention price of individual units notified sale etc. So long as there is one set of controlled price of urea for the farmers, the farmers would not benefit from any enhanced allocation for fertilizer subsidy.

(ii) Loan to farmers: Out of 40 per cent of advances to priority sector, 18 per cent of the total advance for agriculture appears quite adequate.

(iii) Interest on crop loans: It is not possible to limit the rate of in terest on crop loans upto 5 per cent as this would be very uneconomical for the viability of the - banks. The present rates being charged by the Institutional Agencies are, however, less than the rates prevailing in the informal- sector for crop loans.

(iv) Modification of Comprehensive Crop Insurance Scheme: A proposal is- under consideration to revise the Comprehensive Crop Insurance Scheme: (COS), in which the question of extending' the scheme to non-loanee far-metis will be examined alongwith other issues.

External credit for rehabilitation of quake affected villages

4051. DR. BAPU KALDATE: Will the Minister of AGRICULTURE be pleased to refer to answr to Unstarred Question 1673 given in the Rajya Sabha on 24th March, 1995 and state:

(a) the quantum of external credit provided to the State Government of Maharashtra for rehabilitation of quake affected villages in Maharashtra;

(b) whether it is a fact that the World Bank has given long term loan for re habilitation of affected villages and if so, what are the details thereof and what is the rate of interest at which the credit has been given; and

(c) the details of the amount so *tar* utilised for construction of houses in the affected villages?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI ARVIND NETAM): (a) and (b) The World Bank has agreed to provide an IDA credit equivalent of US $246.0 million for the Maharashtra earthquake rehabilitation programme. The IDA credit has a service charge of *i* per cent and is repayable over 35 years, including a grace period of 10 years.

(c) Unto the end. of January, 1995, US $26,855 million has been utilised under the project.

Integrated Fooderains Development Programme

4052. SHRI SURESH PACHOURI: Will the Minister of AGRICULTURE be pleased to state:

(a) whether any change has been effected in the schemes under Centrally sponsored Integrated Foodgrains Development Programmes so that these schemes are to be implemented in selected Development Blocks instead of whole district;